

December 18, 2005

CREDIT CARD THEFT

The first thing you should do if you ever have your credit cards stolen or lost is to call each creditor involved and let them know. They will close out the credit cards and send you a new one. Most people do not know that a credit card company **cannot** charge you the money charged on your credit card when they are lost or stolen if you did not make the charge. The law protects you from this... Don't pay for a service that offers you protection from credit card theft YOU DON'T need it.

TIP: *A good way to make sure you have all the information on your credit cards is to make a copy of each card when you get it. You should also make a new copy whenever your credit card company sends you a new card. Some things change on the new card and you want the most current data on your copy.*

The second thing you should do is get copies of your credit reports about two weeks after you have had your credit cards missing. You want to check and make sure that nothing has been added to your credit reports that you do not know. If you find unknown accounts then you will now need to call the fraud alert numbers to the credit bureaus and place a fraud alert on your reports.

Equifax Fraud Line: 1-800-525-6285

Trans Union Fraud Line: 1-800-680-7289

Experian Fraud Line: 1-866-966-7226

Now you will need to file a dispute with each credit bureau in regards to the items that are not yours. If you do not know how to do this you will need to go to the FCRA and read it. Don't follow instructions the credit bureaus give you for filing a dispute, they DO NOT give you enough choices and room to file disputes to begin with and disputing fraud accounts is a serious issue. If you don't know how to file a dispute you should get help immediately. This can affect your credit for some time if not properly disputed and resolved! You will need to check your credit reports for the next year, once you get these issues resolved, to make sure that nothing comes back on your credit files and to make sure that nothing new comes on the reports.

The third thing you should do is add a consumer statement to each credit file explaining the circumstances of your lost or stolen credit cards.

Credit Card Fraud is becoming the number one crime in America. It is too easy for someone to charge on a credit card over the computer and telephone. The best protection in most cases is that the person using your card give the numbers on the back of the card, when they have your credit card it doesn't give you much protection.

Prevention is the best defense. Don't take more credit cards than you need to take with you when out and about. If the bad thing happens at least it only happens to the one or two cards you have on you.